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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER	
RETTA, YEHDEGA	

ART UNIT	PAPER NUMBER
3622	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/748,759	SCHOLL ET AL.	
	Examiner	Art Unit	
	Yehdega Retta	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *29 January 2010*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1,2,4,6-14,16-21,35 and 36* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1, 2, 4, 6-14, 16-21, 35 and 36* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Response to Amendment

This office action is responsive to the Request for Continued Examination, filed January 29, 2010. Applicant amended claims 1, 7, 9-14, 17, 18, 20, 21, 35 and added claim 36. Claims 1, 2, 4, 6-14, 16-21, 35 and 36 are currently pending.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 9-14, 16-21 and 36, are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to another statutory class of invention (such as a particular apparatus) (see at least Diamond v. Diehr, 450 U.S. 175, 184 (1981); Parker v. Flook, 437 U.S. 584, 588 n.9 (1978); Gottschalk v. Benson, 409 U.S. 63, 70 (1972); Cochrane v. Deener, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least Gottschalk v. Benson, 409 U.S. 63, 71 (1972)). A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here the claims fails to meet the above requirements because the steps are neither tied to another statutory class of invention (such as a particular apparatus) nor physically transform underlying subject matter (such as an article or materials) to a different state or thing.

Claims 1, 2, and 4-8 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Even though in the preamble the claim recites a computer system the body of the claim merely recites software. Computer programs claimed as computer listings per se, i.e., the descriptions or expressions of the programs, are not physical "things." It has been held that computer programs or software without a required computer-readable medium storing the software that, when executed, causes the computer to perform a

particular process or method (MPEP 2106.01) is merely nonfunctional descriptive material and non-statutory under 35 U.S.C. 101.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1, 2, 4, 6-14, 16-21, 35 and 36 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1 recites *a plurality of advertisement generators each operable to automatically generate and advertisement set,* the advertisement set including at least one advertisement and at least one search term. The claim further recites an advertisement manager that at least determines whether *an advertisement set is currently submitted to an advertisement placement service* for a set of keywords including the at least one keyword, and when an advertisement set is not currently submitted to the advertisement placement service for the set of keywords *selects one of the generated advertisement sets for submission to the advertisement placement service*; and when an advertisement set is currently submitted to the advertisement placement service for the set of keywords, *selects one of the generated advertisement sets so as to avoid conflict with respect to the set of keywords of a currently submitted advertisement set.* First of all the claim recites a plurality of generators operable to generate advertisement set however does not recited how many advertisement set are generated. Therefore, if only one advertisement set is generated for a keyword, there can not be a selection of one advertisement set from another advertisement

set for the same keyword. Examiner points out that the claim is system claim which includes a generator which it is function just for generating (or operable to generate) advertisement set. Therefore, it is unclear how the advertisement manager which receives from the generators the generated advertisement sets can make a determination of whether an advertisement set **for a set of keywords** (other than the generated advertisement sets) is submitted and also to select one of the generated advertisement sets as to avoid conflict.

Claim 9 recites creating at least *one advertisement set* for each of a plurality of advertisement sets wherein the advertisement set includes at least advertisement and *a common keyword.* It is unclear, if only one advertisement set that includes one keyword is created, how can there be a determination for *set of keywords* and also subsequent selection of advertisement set for the said keyword. Claim 35 is also rejected for the same reason.

Claims 9 and 35 also recite each advertisement set being generated *for a common advertiser and a set of keywords including at least one common keyword, each advertisement set including the respective at least one automatically created advertisement and the at least one common* keyword. If the advertisement set that is generated includes at least one common keyword, it unclear what it means by the "each advertisement set being **generated *for a common advertiser and a set of keywords including at least one common keyword.***

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 1, 2, 4, 6-8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Calabria et al. (US 2005/0137939).

Regarding claims 1 and 2, Calabria teaches an advertisement generators each using an algorithm to automatically generate an ***advertisement sets*** for advertiser and a keyword (see [0052]-[0055] [0121]); each advertisement set having a keyword and an advertisement, which includes an *item-specific visual element* (such name or title of the book); a fee calculator that calculates fee amounts for advertisements based on anticipated profitability of the advertisement sets (see [0013], [0019] – [0023] an advertisement submitter that sends to an advertisement placement service a request to place the advertisement along with content associated with the keyword at the fee amount of an advertisement set; and an advertisement manager that receives from the advertisement generator advertisement sets, receives from the fee calculator a fee amount for each advertisement set, and provides to the advertisement submitter the selected advertisement sets that each have an advertisement, a keyword, and a fee amount (see [0035] – [0040], [0044]- [0047], [0109]). Calabria does not teach explicitly teach determining if an advertisement set is currently submitted or not, but it would have been obvious to one of ordinary skill in the art at the time of the invention to know that it would be determined if there is already submitted advertisement set or not. One would be motivated to either submit only one

advertisement set at a time or to indicate which advertisement set to be submitted to the search engine, if more than one can be submitted, so that the search engine knows which advertisement set to select.

Regarding claims 4, 7, 8, Calabria teaches the advertisement manager selects one of the multiple advertisement sets based at least in part on determined likelihood of users selecting the advertisement when it is placed along with a content associated with the keyword; a database containing statistics relating to placements of advertisements and wherein the fee calculator determines anticipated profitability based on analysis of the statistics; wherein the statistics include average cost-per-click of an advertisement and average revenue-per-click (see [0120]-[0123],[0133]- [0147]).

Regarding claim 6, Calabria teaches multiple advertisement submitters where each advertisement submitter is associated with an advertisement placement service (see [0153]).

Claims 9-14, 16-21, 35 and 36 are rejected under 35 U.S.C. 103(a) as being unpatentable over Calabria et al. (US 2005/0137939) in view of Harik (US 2005/0065806 A1).

Regarding claims 9, 19, 35 and 36, Calabria teaches a plurality of advertisement sets being generated using a plurality of advertisement generators algorithm for each advertisement set, (see [0052]-[0055] [0121]); each advertisement set having a keyword and an advertisement; a fee calculator that calculates fee amounts for advertisements based on anticipated profitability of the advertisement sets (see [0013], [0019] – [0023]; specifying a bid amount for each advertisement set (abstract, [0014], [0022]); determining whether an advertisement set is currently submitted to an advertisement placement service for the keyword; submitting to the advertisement placement service a request to place the advertisements specified by the selected

advertisement sets; analyzing the effectiveness of the placed advertisement, the effectiveness of the placed advertisement being based on at least financial benefit of placing the advertisement; and subsequently selecting advertisement sets for placement of advertisements based on the analysis, so that the selected advertisement set does not conflict with an advertisement set that is currently submitted to the advertisement placement service for the keyword (see [0018], [0019], [0052]-[0054]); when an advertisement set is not currently submitted to the advertisement placement service for the keyword, selecting one of the generated advertisement sets for submission to the advertisement placement service. Calabria does not but Harik teaches automatically creating at least one advertisement, each advertisement generator determines item-specific visual element (such as title of a book) of at least one advertisement (see [0057], [0058], [0060]-[0067], [0080]). It would have been obvious to one of ordinary skill in the art at the time of the invention to include Harik's ad creative generation operations, in Calabria's generating advertisement set, in order to generate online advertisements from Internet data by automatically determining all components for an advertiser, as taught in Harik's (see [0057]). Calabria does not teach explicitly teach determining if an advertisement set is currently submitted or not, but it would have been obvious to one of ordinary skill in the art at the time of the invention to know that it would be determined if there is already submitted advertisement set or not. One would be motivated to either submit only one advertisement set at a time or to indicate which advertisement set to be submitted to the search engine, if more than one can be submitted, so that the search engine knows which advertisement set to select.

Claim 9 recites automatically creating at least one advertisement **for** each of a plurality of advertisement sets being generated using a plurality of advertisement generators, each

advertisement generator including a different algorithm **for** at least determining at least one item-specific visual element of the at least one advertisement being created **for** a respective advertisement set, each advertisement set being generated **for** a common advertiser and a set of keywords including at least one common keyword, *each advertisement set including the respective at least one automatically created advertisement and the at least one common* keyword, and each advertisement set associated with a corresponding bid amount. This language indicates the intended purpose of creating the at least one advertisement.

Claim 9, recites a method of automatically creating at least one advertisement. The language "for each of a plurality of advertisement sets being generated using a plurality of advertisement generators" is the intended use of the advertisement, and does not affect the method of automatically creating the advertisement. Therefore, no patentable weight is given to such language since it does not further limit the method of automatically creating the advertisement. Also whether the advertisement set is generated using advertisements generators (including algorithm) does not change the method of creating the advertisement. Neither the advertisement generators nor the algorithm is used in the creating of the advertisement. Also whether the created advertisement set is for advertiser or keyword or not, the claim does not indicate that this information is used by the method of creating of the advertisement. Therefore, does not further limit the claim of automatically creating advertisement. In other words the claim does not positively recite a method of generating advertisement set or the use of an algorithm. The rest of the claim includes language further limiting the language that is not positively recited. The claim only recites the method of automatically creating at least one advertisement.

Claim 35 recites "**program code** for automatically creating at least one advertisement for each of a plurality of advertisement sets being generated using a plurality of advertisement generators, each advertisement generator including a different algorithm for at least determining at least one item-specific visual element of the at least one advertisement being created for a respective advertisement set, each advertisement set being generated for a common advertiser and at least one common keyword, each advertisement set including the respective at least one automatically created advertisement and the at least one common keyword, and each advertisement set associated with a corresponding a bid amount." This language indicates the intended purpose of program code which is for creating at an advertisement". The claim only recites a program code for automatically creating at least one advertisement. The fact that the created advertisement is for advertisement set being generated using advertisement generators including algorithm does not change the program code.

Regarding claims 10-14 and 16-18, Calabria teaches wherein the bid amount is based on advertising metrics, profit, revenue, etc.; placing the advertisement with search result associated with a search term matching the keyword; placing with content associated with keyword. Calabria teaches selecting a keyword combination, providing an estimate of return on investment for the bid associated with the keyword combination analyzing; the effectiveness of the placed advertisements for each-the advertisement sets, the effectiveness of an advertisement being based on at least financial benefit of placing the advertisement; and selecting advertisement sets for

placement of advertisements based on the analysis (see [0035]-[0040], [0044]- [0047], [0052]-[0060], [0109], [0121]).

Regarding claims 20 and 21, Calabria teaches filtering generated advertisement sets based on frequency or desirability of keywords (see [0054]-[0059]).

Response to Arguments

Applicant's arguments filed January 29, 2010 have been fully considered but they are not persuasive.

Applicant argues that claim 1 as amended recites that the "advertisement manager" detects the condition that "an advertisement set is currently submitted to the advertisement placement service for the set of keywords" and, in response, "selects one of the generated advertisement sets so as to avoid conflict with respect to the set of keywords of a currently submitted advertisement set." Applicant further argues that Calabria does not teach that "generated advertisement sets" may "conflict with respect to the set of keywords of a currently submitted advertisement set," and so cannot teach "select[ing] one of the generated advertisement sets so as to **avoid** conflict with respect to the set of keywords of a currently submitted advertisement set."

As indicated above it is unclear it is determined that an advertisement set is currently submitted how the generated advertisement set are selected to avoid conflict because if it is selected either it create conflict or not but can not avoid conflict by selecting the generated advertisement set. It is not clear if the generated advertisement set is not submitted because it creates conflict.

Regarding claims 9 and 35, Applicant argues that claim 9 recites "subsequently selecting an advertisement set for placement with the advertisement placement service ... so that the selected advertisement set *does not conflict with an advertisement set that is currently submitted to the advertisement placement service*." Applicant asserts that Calabria does not teach that "the selected advertisement set" may "conflict with an advertisement set that is currently submitted to the advertisement. As indicated above it is unclear how if it is selected the selecting of generated advertisement set avoids conflict with the currently submitted advertisement set. Either it is selected or it is not selected to avoid conflict and the claim does not recited not selecting the generated advertisement set for the keyword.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yehdega Retta whose telephone number is (571) 272-6723. The examiner can normally be reached on 8-4:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would

like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

YR

/Yehdega Retta/
Primary Examiner, Art Unit 3622